

Title: **Prices formation and social network: the case of the Marseille fish market**

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Abstract: The fish market has a long tradition in economic literature. Many authors refer to it when they want to investigate the organisation of exchanges, whether from the point of view of equilibrium or disequilibrium. This market constitutes a kind of economic paradox in the sense that, in many cases, first observations may lead one to the conclusion that these markets are pure competitive markets. But the empirical analyses always reveal strong price dispersion for homogeneous or very similar goods. So, the problem is to explain this price dispersion. Several authors have tried to explain it by taking into account the differences in organisation, the characteristics of the good, and the influences of social interactions between buyers and sellers. In line with the last of these three approaches, we show here, through an empirical analysis of the fish market of Marseilles, that according to their characteristics, buyers and sellers will specialise in some kind of prices (high or low) according to some specific characteristics, and we explain why there can be a stable equilibrium. The data are collected daily using an electronic device. For each transaction, the data reports the exact date of the transaction, the weight, the price per kilo, the identification number of sellers and buyers and the type of fish. For our study, we use both econometric tools and tools from social network analysis.

Keywords: fish market, perishable good, price dispersion, loyalty strategies, micro data analysis, social networks.